

September 13, 2019

**VIA ELECTRONIC FILING**

Ms. Jocelyn Boyd  
Chief Clerk and Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, SC 29210

**Re: Docket No. 2019-7-G**

Dear Ms. Boyd:

Pursuant to Section 58-5-430 of the South Carolina Natural Gas Rate Stabilization Act ("RSA"), enclosed is the RSA quarterly monitoring report of Piedmont Natural Gas Company, Inc. for the twelve-month period ending June 30, 2019.

Thank you for your assistance with this matter. If you have any questions regarding this filing, you may reach me at the number shown above.

Sincerely,

/s/ Jasmine K. Gardner  
Jasmine K. Gardner

JKG/sko

cc: ORS  
Bruce Barkley  
Pia Powers  
James H. Jeffries, IV

Net Operating Income and Rate of Return  
For The Twelve Months Ended June 30, 2019  
South Carolina  
Page 1 of 2

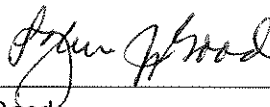
	(1)	(2)	(3)
	<u>Per Filing</u>	<u>Accounting And Pro Forma Adjustments</u>	<u>After Pro Forma Adjustments</u>
Operating Revenues			
Sale of Gas	\$ 151,337,782	\$ (4,718,933)	\$ 146,618,849
Other Operating Revenues	654,620	-	654,620
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Total Operating Revenue	\$ 151,992,403	\$ (4,718,933)	\$ 147,273,469
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Operating Expenses			
Cost of Gas	\$ 70,092,622	\$ (4,702,136)	\$ 65,390,486
Other Operation & Maintenance	32,728,380	139,032	32,867,412
Depreciation	14,420,172	2,971,711	17,391,883
General Taxes	10,256,679	(16,351)	10,240,328
State Income Taxes	(953,913)	1,663,154	709,241
Federal Income Taxes	2,597,455	(705,341)	1,892,114
Amort. of ITC	(10,451)	-	(10,451)
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	\$ 129,130,944	\$ (649,931)	\$ 128,481,013
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Net Operating Income	\$ 22,861,458	\$ (4,069,002)	\$ 18,792,457
Interest on Customer Deposits	(88,010)	-	(88,010)
Amortization of Debt Redemption Premium	-	-	-
AFUDC	745,164	-	745,164
Customer Growth	176,033	(31,331)	144,702
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Net Operating Income For Return	\$ 23,694,645	\$ (4,100,333)	\$ 19,594,312
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Original Cost Rate Base			
Plant in Service	\$ 686,693,676	\$ -	\$ 686,693,676
Accumulated Depreciation	(246,438,695)	-	(246,438,695)
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Net Plant in Service	\$ 440,254,981	\$ -	\$ 440,254,981
Add:			
Construction Work in Progress	26,077,342	-	26,077,342
Materials and Supplies (Including Gas Inventory)	6,728,427	-	6,728,427
Cash Working Capital	(57,865)	17,379	(40,486)
Deduct:			
Customer Advances for Construction	-	-	-
Customer Deposits	2,689,397	-	2,689,397
Accumulated Deferred Income Taxes	91,178,997	-	91,178,997
Unclaimed Funds	144,338	-	144,338
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Total Original Cost Rate Base	\$ 378,990,153	\$ 17,379	\$ 379,007,532
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Return on rate base	<u>6.25%</u>		<u>5.17%</u>

Net Operating Income and Rate of Return  
 For The Twelve Months Ended June 30, 2019  
 South Carolina  
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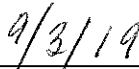
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
			After Accounting and Proforma Adjustments						
	Per Books Capitalization	Accounting and Pro Forma Adjustments	Settlement Capitalization	Calculated Ratio %	Pro Forma Ratio %	Cost Net Investment	Embedded Cost %	Overall Cost Rate %	Net Operating Income
1. Long-Term Debt	\$ 2,379,241,562	-	\$ 2,379,241,562	50.27%	47.00%	\$ 178,133,540	4.41%	2.07%	\$ 7,855,689
2. Common Equity	2,353,584,601	-	2,353,584,601	49.73%	53.00%	200,873,992	5.84%	3.10%	11,738,623
3. Total	<u>\$ 4,732,826,163</u>	<u>\$ -</u>	<u>\$ 4,732,826,163</u>	<u>100.00%</u>	<u>100.00%</u>	<u>\$ 379,007,532</u>		<u>5.17%</u>	<u>\$ 19,594,312</u>

## CERTIFICATION

I, Lynn J. Good, state and attest, under penalty of perjury, that the attached Quarterly Monitoring Report is filed on behalf of Piedmont Natural Gas Company, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

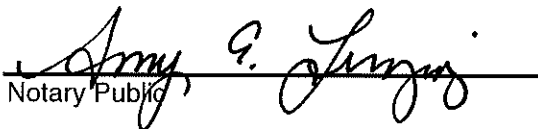


Lynn J. Good  
Chairman, President and CEO

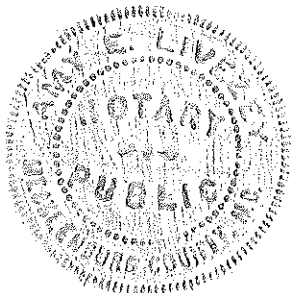


Date Signed

Subscribed and Sworn to before me this  
3rd day of September, 2019.

  
Notary Public

My Commission Expires 11/10/22.



## CERTIFICATION

I, Steven K. Young, state and attest, under penalty of perjury, that the attached Quarterly Monitoring Report is filed on behalf of Piedmont Natural Gas Company, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

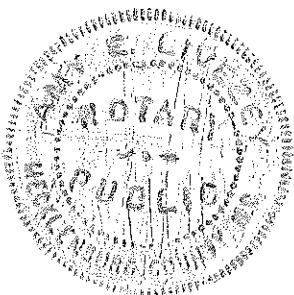
Steven K. Young  
 Steven K. Young  
 Executive Vice President and CFO

9/3/19  
 Date Signed

Subscribed and Sworn to before me this  
3<sup>rd</sup> day of September, 2019.

Amy E. Long  
 Notary Public

My Commission Expires 11/16/22.



## CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the attached Notice is being served this date via email and FedEx Overnight delivery upon:

Jeff Nelson  
Office of Regulatory Staff  
1401 Main Street  
Suite 900  
Columbia, South Carolina 29201  
fbelser@regstaff.sc.gov

And that one copy of the attached Notice is being served this date via email or U.S. Mail addressed as follows:

Scott Elliott  
South Carolina Energy Users Committee  
Elliott & Elliott, P.A.  
1508 Lady Street  
Columbia, South Carolina 29201

Bruce Barkley  
Vice President  
Regulatory and Community Relations  
Piedmont Natural Gas Company, Inc.  
P.O. Box 33068  
Charlotte, North Carolina 28233  
bruce.barkley@piedmontng.com

Pia Powers  
Director – Gas Rates & Regulatory Affairs  
Piedmont Natural Gas Company, Inc.  
P.O. Box 33068  
Charlotte, North Carolina 28233  
pia.powers@piedmontng.com

This the 13th day of September, 2019.

/s/ Sloane K. O'Hare  
Sloane K. O'Hare